

Benefit Offset National Demonstration



The Social Security Administration (SSA) will initiate a national demonstration to test alternate methods of treating work activity in the Social Security Disability Insurance (SSDI) program. The purpose of the Benefit Offset projects is to determine the effect of various interventions, in combination with a benefit offset, on employment outcomes including wages, benefits, hours worked, and job retention. In addition, SSA recently modified this project to include a test of an early intervention strategy that will focus on disability applicants. This aspect of the national benefit offset demonstration replaces the early intervention project formerly described on this site.

The Benefit Offset National Demonstration is scheduled for implementation in late 2006. Prior to its implementation, SSA is conducting a four-State pilot demonstration, which began in August 2005. Findings from the pilot will provide information for the national demonstration.

What States are involved?

To be determined -- By law, the national demonstration will be of sufficient scope and will be carried out on a wide enough scale to permit a thorough evaluation.

How does it work?

In the benefit offset demonstration, SSA will test a \$1 reduction in benefits for every \$2 in earnings in combination with a variety of employment supports, with the goal of helping beneficiaries with disabilities return to work.

The project will allow beneficiaries to face this gradual reduction in their benefits, eliminating the abrupt loss of cash benefits in the SSDI disability program when a beneficiary works and has earnings over a specific amount. Participants will maintain ongoing eligibility for health care benefits and other supports linked to SSDI eligibility.

In addition, SSA also will test early intervention strategies designed to help disability applicants return to work rather than continue through SSA's disability determination process. Participants in this component of the demonstration project will receive a wide range of employment supports closer to the onset of disability in an effort to maintain their connection to the workforce and prevent dependence on cash benefits.

SSA's Expectations

SSA anticipates that the strategies developed for this project will reduce barriers to work for both applicants and beneficiaries, and allow them to maintain or increase their employment, earnings and financial independence. The national demonstration will use information gathered from the Four-State Pilot project.

For More Information

If you have questions about the Benefit Offset National Demonstration, please contact us at ssa.demonstrations@ssa.gov

